

AMENDED IN ASSEMBLY JUNE 26, 2003

AMENDED IN SENATE MAY 13, 2003

AMENDED IN SENATE APRIL 30, 2003

AMENDED IN SENATE APRIL 10, 2003

**SENATE BILL**

**No. 906**

**Introduced by Senator Escutia**

February 21, 2003

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An act to amend Section 60622 of, and to add Section 71611.5 to, the Water Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

SB 906, as amended, Escutia. Water districts.

(1) The Water Replenishment District Act requires all contracts and other documents executed by a water replenishment district to be signed by the president and secretary of the district.

This bill, instead, would require all contracts executed by the district that require or authorize the district to expend \$10,000 or more to be authorized by the board of directors and signed by the president and secretary of the district, except that the board may authorize the general manager or other authorized representative of the district to sign all other contracts and documents that do not exceed \$25,000. The bill would authorize the general manager or other authorized representative to approve and sign contracts and documents executed by the district for up to \$10,000, provided that no more than one such contract or document is signed on behalf of the district with the same person or entity in a one-year period without board approval. *The additional*

*duties required of representatives of each district by the bill would impose a state-mandated local program.*

~~(2) Existing law, the Municipal Water District Law of 1911, authorizes a municipal water district to sell water.~~

~~This bill would require the Central and West Basin Municipal Water Districts to prepare a cost-of-service study that includes specified information, thereby imposing a state-mandated local program.~~

~~The~~

*The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.*

*This bill would provide that no reimbursement is required by this act for a specified reason.*

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 60622 of the Water Code is amended to  
2 read:

3 60622. (a) All contracts and other documents executed by the  
4 district that require or authorize the district to expend ten thousand  
5 dollars (\$10,000) or more shall be authorized by the board of  
6 directors and signed by the president and the secretary, except that  
7 the board may, by resolution for a specific expenditure, authorize  
8 the district manager or other district representative to sign  
9 contracts and other documents in the name of the district, not to  
10 exceed twenty-five thousand dollars (\$25,000).

11 (b) All contracts and other documents executed by the district  
12 that require or authorize the district to expend less than ten  
13 thousand dollars (\$10,000) may be approved and signed by the  
14 general manager or other district representative authorized by the  
15 board of directors, provided, however, that the general manager  
16 may not execute multiple contracts or documents on behalf of the  
17 district with the same person or entity within a one-year period that  
18 cumulatively total ten thousand dollars (\$10,000) or more, without  
19 the board's prior approval.

20 ~~SEC. 2. Section 71611.5 is added to the Water Code, to read:~~

1     ~~71611.5. The Central and West Basin Municipal Water~~  
2     ~~Districts shall prepare a cost of service study, including, but not~~  
3     ~~limited to all of the following:~~

4     ~~(a) Actual costs of providing services to individual customers~~  
5     ~~or groups of customers.~~

6     ~~(b) Capital costs of providing services to individual customers~~  
7     ~~or groups of customers.~~

8     ~~(c) Improvement projects.~~

9     ~~(d) Administrative overhead.~~

10    ~~(e) Debt service management.~~

11    ~~(f) Water purchases and treatments.~~

12    ~~(g) Recycling programs.~~

13    ~~(h) Any other public benefits.~~

14    ~~SEC. 3. The Legislature finds and declares that Section 2 of~~  
15    ~~the act adding this section, which is applicable only to the West~~  
16    ~~Basin Municipal Water District or the Central Basin Municipal~~  
17    ~~Water District to the Water Replenishment District of Southern~~  
18    ~~California, is necessary because of the particular relationship~~  
19    ~~between the water districts in this region. It is, therefore, hereby~~  
20    ~~declared that a general law within the meaning of Section 16 of~~  
21    ~~Article IV of the California Constitution cannot be made~~  
22    ~~applicable to those districts and the enactment of this special law~~  
23    ~~is necessary for the conservation, development, control, and use of~~  
24    ~~that groundwater for the public good.~~

25    ~~SEC. 4. No reimbursement is required by this act pursuant to~~  
26    ~~Section 6 of Article XIII B of the California Constitution because~~  
27    ~~a local agency or school district has the authority to levy service~~  
28    ~~charges, fees, or assessments sufficient to pay for the program or~~  
29    ~~level of service mandated by this act, within the meaning of~~  
30    ~~Section 17556 of the Government Code.~~